

EXHIBIT 2

29 U.S.C. Section 1306(a)(7)

29 U.S.C.A. § 1306

(7) Premium rate for certain terminated single-employer plans

(A) In general

If there is a termination of a single-employer plan under clause (ii) or (iii) of section 1341(c)(2)(B) of this title or section 1342 of this title, there shall be payable to the corporation, with respect to each applicable 12-month period, a premium at a rate equal to \$1,250 multiplied by the number of individuals who were participants in the plan immediately before the termination date. Such premium shall be in addition to any other premium under this section.

(B) Special rule for plans terminated in bankruptcy reorganization

In the case of a single-employer plan terminated under section 1341(c)(2)(B)(ii) of this title or under section 1342 of this title during pendency of any bankruptcy reorganization proceeding under chapter 11 of Title 11, or under any similar law of a State or a political subdivision of a State (or a case described in section 1341(c)(2)(B)(i) of this title filed by or against such person has been converted, as of such date, to such a case in which reorganization is sought), subparagraph (A) shall not apply to such plan until the date of the discharge or dismissal of such person in such case.

(C) Applicable 12-month period

For purposes of subparagraph (A)--

(i) In general

The term "applicable 12-month period" means--

- (I)** the 12-month period beginning with the first month following the month in which the termination date occurs, and
- (II)** each of the first two 12-month periods immediately following the period described in subclause (I).

(ii) Plans terminated in bankruptcy reorganization

In any case in which the requirements of subparagraph (B) are met in connection with the termination of the plan with respect to 1 or more persons described in such subparagraph, the 12-month period described in clause (i)(I) shall be the 12-month period beginning with the first month following the month which includes the earliest date as of which each such person is discharged or dismissed in the case described in such clause in connection with such person.

(D) Coordination with section 1307

(i) Notwithstanding section 1307 of this title--

- (I)** premiums under this paragraph shall be due within 30 days after the beginning of any applicable 12-month period, and
- (II)** the designated payor shall be the person who is the contributing sponsor as of immediately before the termination date.

(ii) The fifth sentence of section 1307(a) of this title shall not apply in connection with premiums determined under this paragraph.

(E) Repealed. Pub.L. 109-280, Title IV, § 401(b)(1), Aug. 17, 2006, 120 Stat. 922

(b) Revised schedule; Congressional procedures applicable

(1) In order to place a revised schedule (other than a schedule described in subsection (a)(2)(C), (D), or (E) of this section) in